

## 2006 Reauthorization of the Older Americans Act

What Will We Be Doing  
Differently?

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### Reauthorization of OAA

- P.L.109-365
- Signed by the President October 17, 2006
- **Effective date:** July 1, 2007

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### Major Provisions (in addition to Title V)

- Enhanced Federal, State, and Local coordination of long-term care services provided in home and community-based settings
- Support for State and community planning to address the long-term care needs of the baby boom generation
- Greater focus on prevention and treatment of mental disorders
- Outreach and service to a broader universe of family caregivers under the National Family Caregiver Support Program
- Increased focus on civic engagement and volunteerism
- Enhanced coordination of programs that protect elders from abuse, neglect and exploitation

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## Major Provisions/Changes to Title V

1. Purpose
2. Eligibility
3. Programmatic
4. Performance Measures
5. State Plan
6. Special Projects
7. Competition
8. Provisions for services to minorities

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## 1. Purpose

- ☐ Dual nature of the program continued: Community service and unsubsidized employment
- ☐ Sense of the Congress reinforces the community service and job training aspects of the program
- ☐ "Community Service Employment" defined as part-time, temporary employment through which program participants are engaged in community service and receive work experience and job skills that can lead to unsubsidized employment

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## 2. Eligibility

- ☐ 55 and older
- ☐ Unemployed
- ☐ Low income

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## **"Unemployed"**

- Unemployed defined in Title V as:  
Individual who is without a job and who wants and is available for work, including an individual who may have occasional employment that does not result in a constant source of income.

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## **TEGL 12-06 --- Income Inclusions and Exclusions for Determining Eligibility**

**Effective January 1, 2007**

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## **Participant Eligibility – Income**

- Now **Excluded**:
  - SSDI
  - 25% of Social Security Retirement or Survivors' Benefits
  - Unemployment compensation
  - Payment made to or on behalf of veterans or former members of the Armed Forces
    - VA payments only (not DoD payments)

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## Includable Income (Effective 1/1/07)

CPS definitions of income govern with some exceptions:

- ☐ Earnings
- ☐ 75% of Social Security Retirement or Survivors Benefits
- ☐ Interest and dividend payments

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- ☐ Survivor benefits
- ☐ Pension or retirement income
- ☐ Rents, royalties, estates and trusts
- ☐ Educational assistance
- ☐ Alimony
- ☐ Financial assistance from outside the household
- ☐ Other recurrent income

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## SCSEP does not count:

- ☐ 25% of Social Security Retirement or Survivors' Benefits
- ☐ Supplemental Security Income (SSI)
- ☐ Public assistance benefits, including income from other E&T programs
- ☐ Disability income (including SSDI)
  - SSDI reverts to SS ret. at full retirement age
- ☐ All forms of child support
- ☐ Unemployment compensation
- ☐ Veterans' Payments (educational and OJT, and means tested assistance to veterans)
  - VA payments only; not DoD payments
- ☐ Workers' Compensation

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- ❑ Capital gains (stocks, bonds, house, car) unless applicant is engaged in the business of selling such property
- ❑ Withdrawals of bank deposits
- ❑ Money borrowed
- ❑ Tax refunds
- ❑ Gifts
- ❑ Lump sum inheritances, insurance payments, gambling/lottery earnings
- ❑ First \$2000 of Indian per capita fund distributions
- ❑ Any other income exception required by Federal law (state provisions have no effect)

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### Income Computation Process

(Effective January 1, 2007)

- Income received during the prior 12 month period
- Or, if more favorable to the applicant, the 6 month period annualized
- Ending on the date an eligible individual submits an application to participate in the program

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### Participant Eligibility - Priority

- ❑ 55 years old, with priority for those 65 and older OR individuals with:
  - 1) disability
  - 2) limited English proficiency or low literacy skills
  - 3) reside in a rural area
  - 4) veterans
  - 5) low employment prospects
  - 6) failed to find employment through WIA Title I services
  - 7) homeless or at risk of homelessness

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## Participation Time Limit

- Individual time limit for participation:
  - an individual may remain in the program for up to 48 months
  - a waiver may be requested to allow a limited number of hard-to-serve individuals to participate beyond 48 months
- Overall grantee average participation cap of 27 months
  - a waiver may be requested that allows up to a 36 month average participation rate in certain cases

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## 3. Programmatic

- Participant Wages and Fringe Benefits
  - Not less than 75 percent of a grant may be used to pay wages and benefits for eligible individuals working in subsidized community service positions (current law)
  - Grantees may apply for additional flexibility in the use of a grant award.
    - May submit a plan for the use of up to 10 percent of their wages and benefits dollars to be used for participant training and supportive services
    - Specific requirements for use of additional 10% relate to continuation of wage payments for individuals involved in training, displacement of participants, explanations of how use of funds will enhance program effectiveness, a proposed budget and work plan

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## Fringe Benefits

- Limits what benefits shall be provided to program participants
  - Workers Comp., UI where required, physical exams, employer designated Federal holidays, necessary sick leave not part of an accumulated sick leave program
- No grant funds may be used to pay pension benefits, annual leave, accumulated sick leave or bonuses

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## Relationship to Other Federal Programs

- SCSEP wages not considered to be income for purposes of determining eligibility for:
  - Housing programs
  - Food Stamps
  - Immigration and Nationality Act services

[New TEGL-11-06]

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## 4. Performance Measures

- Five core indicators of performance
  1. Hours (in the aggregate) of community service employment
  2. Entry into unsubsidized employment
  3. Retention in unsubsidized employment for 6 months
  4. Earnings
  5. Number of eligible individuals served, including the number of participating individuals from priority designations and time-limit waiver provisions
- Two additional indicators of performance
  1. Retention in unsubsidized employment for 1 year (new)
  2. Satisfaction of the participants, employers, and their host agencies with their experiences and the services provided (current SCSEP measures)
  3. Any other indicators DOL determines appropriate (TAD)

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- Expected levels of performance for the five core indicators agreed upon between the Secretary and the grantee
- No awards may be made until agreed-upon goals are in place
- Grantees may submit comments to indicate satisfaction with the outcome of the negotiation process that establishes expected levels of grantee performance on core performance measures
- The Secretary is required to make comments submitted by grantees available for public review
- Secretary must evaluate grantees annually and publish their performance on both the core and additional measures
- Grantee performance on core indicators must be considered by the Secretary when making subsequent grant determinations

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### Performance levels adjustable for the following factors:

- High unemployment or poverty or participation in TANF in the areas served (currently considered)
- Significant downturns in area or national economy (currently considered)
- Significant number or proportion of participants with 1 or more barrier to employment (currently considered)
- Changes in federal, state or local minimum wage requirements (currently considered, now codified)
- Limited economies of scale for the provision of services (new)

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### Unsubsidized Placement Goal

- Provides that the agreed-upon levels of performance for entered employment may be not less than:
  - 21% in PY 07
  - 22% in PY 08
  - 23% in PY 09
  - 24% in PY 10
  - 25% in PY 11
- These levels are the statutory **minimums**
- Agreed-upon levels will likely be higher (i.e., current overall PY06 performance goal = 31%)

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### Technical Assistance & Corrective Action

- All grantees not meeting new measures in PY 06:
  - DOL to provide TA to enable grantees to meet PY 07 goals
- Nationals not meeting new measures starting in PY 07:
  - DOL to provide TA
  - Grantee to submit corrective action plan (w/in 160 days of PY end)
  - 4<sup>th</sup> consecutive year not meeting performance goals, not allowed to compete in subsequent grant competition
- State grantees not new meeting measures starting in PY 07:
  - DOL to provide TA
  - Grantee to submit corrective action plan (w/in 160 days of PY end)
  - 3<sup>rd</sup> consecutive year not meeting performance goals, state funds to be competed for next grant year

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## 5. State Plan

- Four-year strategy for provision of program services
- Updates submitted not less often than every 2 years
- New provision added to address the distribution of eligible individuals who are limited English proficient

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## 6. Special Projects

- The Secretary is authorized to conduct pilot, demonstration, and evaluation projects, which include activities to enhance the service delivery and outcomes of SCSEP.
- Projects are designed to assist in developing and implementing techniques and approaches to meet the employment and training needs of eligible individuals
  - May include activities linking businesses and eligible individuals -- or --
  - Demonstrations to improve service coordination with the One-Stop delivery system established under the Workforce Investment Act

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## 7. National Grantee Competition

- Requires the Secretary to conduct a national competition every 4 years, allowing a grantee to receive a one-year extension based on exceptional performance.
- A grantee may not compete for a grant during the next grant cycle if the entity has failed to meet expected levels of performance for four consecutive years
- DOL barred from competing again until:
  - Core and additional measures are implemented through rule making OR
  - January 1, 2010
- Whichever of the above occurs later

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## Competition Criteria

Maintains current law with 4 changes

- 1) Replaces priority age 60 with reference to multiple barriers to employment sections
  - 2) Adds past performance consideration in meeting core performance measures and applicants' ability to address core and additional indicators under this title and other federal or state grant programs.
  - 3) Adds consideration for ability to administer a project involving community service
  - 4) Adds consideration for ability to minimize disruption in services for participants and in community services provided
- Authorizes the Secretary to give special consideration to a grantee applying to serve an area with a substantial population of individuals with barriers to employment

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## 8. Focus on Services to Minorities

- National grantees receiving a grant to serve areas with substantial population of individuals with barriers to employment shall give **special consideration** to organizations (including former grant recipients) with demonstrated experience serving these populations **when selecting sub-grantees**
  - Individual with barrier to employment for this section is:
    - minority
    - Indian
    - Individuals with greatest economic need
    - Individuals described in eligibility priority section

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## Annual Report to Congress/Promulgation of Rules

- Secretary to report annually to Congress on the levels of participation and performance outcomes of minorities served in the program
  - ✓ Levels of participation and outcomes achieved by each grantee by service area and in the aggregate
  - ✓ Begins with FY 2005 data
  - ✓ Description of each grantee's efforts to serve minority populations
- DOL may **not** promulgate rules affecting grantees in areas where a substantial population of minority individuals exists that would significantly compromise the ability of grantees to serve their targeted populations.

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